Master Lease Purchase Agreement dated as of 4/4/2002 ("Agreement"), by and between, Apple Computer, Inc., as "Lessor", and

State of Maine acting by and through its Department of Education as "Lessee"

<u>DEFINITIONS</u>: Unless the context otherwise clearly requires, the following terms shall have the respective meanings set forth below for all purposes this Agreement and of each Schedule:

Agreement - this master lease purchase agreement.

Code - Internal Revenue Service Code of 1986 as amended from time to time.

Contract – the State of Maine Agreement to Purchase Services by and between the State of Maine Department of Education and Apple Computer, Inc., made the 27th day of December 2001, as amended.

Contractor - any manufacturer or vendor of the System, including Lessor.

Damaged Equipment - Equipment that is lost, stolen or damaged.

Damages - means any injuries, damages, penalties, claims or losses, including reasonable legal expenses, incurred by you or any other person caused by the transportation, installation, selection, purchase, lease, ownership, possession, modification, maintenance, condition, operation, use, return or disposition of the System.

Day - a calendar day unless otherwise specified.

Documents - each Lease, any documents relative to the acquisition of the System and any other documents required to be delivered in connection with each Lease.

Equipment - all items of personal property described in the applicable Schedule and subject to this Agreement. **Equipment Location** - the place where you have represented that all items of personal property described in the applicable Schedule and subject to this Agreement will be located.

Lease - this Agreement and a Schedule.

Lease Term - the time period listed in the applicable Schedule.

Lessor Equipment - Equipment manufactured or assembled by Lessor.

Net Book Value - any and all amounts which may be due and payable by you to us under the Lease, plus the present value of all Rent payments remaining through the end of the Lease Term as stated in an amortization schedule attached to the Schedule.

Other Equipment - Equipment not manufactured, assembled, or distributed by Lessor.

Product Warranty - any express product warranty from Lessor including support and maintenance and the AppleCare protection plan as agreed upon by the parties.

Rent - payments payable by the Lessee to Lessor for the acquisition of the System as shown in the applicable Schedule.

Schedule - any lease schedule under this Agreement signed by you and accepted by us.

Software - means any operating systems or application programs described in the applicable Schedule and subject to this Agreement.

System - Equipment or Software, or both, in the applicable Schedule.

System Cost - cash price of Equipment and fee for Software license.

We, Us, and Our - Lessor or our agent.

You and Your - Lessee or your agent.

Other capitalized terms not otherwise defined in this Agreement are defined in the Schedule.

TERMS AND CONDITIONS

- 1. ACQUISITION OF SYSTEM. By execution of this Agreement alone, neither you nor we have made a commitment to lease any System. The execution of a Schedule, which incorporates the terms and conditions of this executed Agreement shall constitute a commitment to lease the System. You hereby represent and warrant that the System and the Contractor have been selected by you in compliance with all applicable laws, codes, ordinances, regulations, and policies, including but not limited to, any solicitation of competitive pricing and/or bidding requirements, governing your acquisition, use, leasing, and/or financing of equipment or software license fees. You further represent and warrant that we shall have no responsibility in connection with the selection of the Equipment or the Software, its suitability for the use intended by you, your compliance or non-compliance with competitive pricing and/or bidding requirements, the acceptance by the Contractor or the Contractor's sales representative of the order submitted, or any delay or failure by the Contractor or its sales representative to manufacture, deliver, install, or maintain the Equipment or the Software for your use. You shall order the System from the appropriate Contractor.
- 2. LEASE. You shall advise us in writing of your desire to lease the System, a description of the System, the cost of the

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System, the Contractor supplying the System, the expected System operational date, the desired lease terms, and any additional information we may require. If we, in our sole discretion, determine the proposed System may be subject to a Lease hereunder, we shall advise you of our acceptance of your request and the conditions of our acceptance. Upon your receipt of the invoices for the System from the Contractor, you will forward those invoices immediately to us and we will furnish you with a proposed Schedule. Subject to the terms of this Agreement, you agree to lease from us the Equipment, and, if applicable, finance any software license fee for any Software, and delivery and installation costs described in each Schedule, when we accept the Schedule at our office. Each Schedule will incorporate the terms, conditions, and provisions of this Agreement and will constitute a separate Lease.

- 3. INVOICE PAYMENT OR REIMBURSEMENT. We shall have no obligation whatsoever to make any payment to a Contractor or reimburse you for any payment you made to a Contractor for the System until five (5) business days after we have received all of the following in form and substance satisfactory to us in our sole discretion: (a) a Schedule executed by a person duly authorized by your governing board; (b) a written notice from you of acceptance of the System; (c) a resolution or evidence of other official action taken by or on behalf of your governing board to authorize the acquisition of the System on the terms provided in the Schedule; (d) Contractor invoice and/or bill of sale relating to the System and if such invoice has been paid by Lessee, evidence of payment thereof and, if applicable, evidence of official intent to reimburse such payment as required by the Treasury Regulations; (e) a completed and executed Form 8038-G or 8038-GC; (f) an Opinion of Counsel; and (g) any other documents, items, or information required by us.
- **4. DELIVERY AND ACCEPTANCE OF SYSTEM.** Acceptance of the System shall occur immediately after acceptance and signoff by department project manager and responsible school personnel as provided in the Contract. When you receive the System, you agree to inspect it and to verify in writing such information as we may require. Delivery and installation costs are your responsibility unless otherwise agreed to in advance with us and the Contractor of the System. If you signed a purchase contract for the System, by signing the Schedule you assign your rights, but none of your obligations under it, to us.
- **5. RENT**. You agree to pay us Rent consisting of principal and interest (plus applicable taxes) in the amount and frequency stated on each Schedule. If your Rent payments are due in advance, your first Rent payment is due on the date you accept the System or on the date of our deposit into an Escrow Account. We will advise you as to (a) the due date of each Rent payment, and (b) the address to which you must send your payments. Restrictive endorsements on checks you send to us will not reduce your obligations to us.
- 6. NON-APPROPRIATION OF FUNDS. You intend to remit and reasonably believe that moneys in an amount sufficient to remit all Rent and other payments can and will lawfully be appropriated and made available to permit your continued utilization of the Systems leased under all Leases and the performance of its essential function during the Lease Terms. The person in charge of preparing your budget will include in each of your fiscal budgets a request for the Rent to become due in such fiscal period. We acknowledge that appropriation of moneys for Rent is a governmental function which you cannot contractually commit yourself in advance to perform and this Agreement or any Lease resulting from this Agreement does not constitute: (i) a multiple fiscal year direct or indirect debt or financial obligation; or (ii) an obligation payable in any fiscal year beyond the fiscal year for which funds are lawfully appropriated. Notwithstanding any other provision of the applicable Lease, if the Lessee does not receive sufficient funds to fund Rent payments under such Lease and other obligations of the Lessee thereunder, if funds are de-appropriated, or if the Lessee does not receive legal authority to expend funds from the Maine State Legislature or Maine courts, then the Lessee is not obligated to make Rent payments under the applicable Lease and shall have the right to return the System in accordance with Section 19 of this Agreement and terminate the Lease on the last day of the fiscal period for which sufficient appropriations were received without penalty or expense to Lessee, except as to the portion of Rent for which funds shall have been appropriated and budgeted. In the event of non-appropriation, your chief legal officer shall provide timely notice that despite your utilization of best efforts to obtain sufficient appropriations, funds have not been appropriated for the relevant fiscal year. You acknowledge and agree that this non-appropriation provision is not intended to be used as a substitute for convenience termination nor for the purpose of replacing the System with substantially identical property.
- 7. UNCONDITIONAL OBLIGATION. EXCEPT AS PROVIDED IN SECTION 6 "NON- APPROPRIATION OF FUNDS," YOU AGREE THAT YOU ARE UNCONDITIONALLY OBLIGATED TO PAY ALL RENT AND ANY OTHER AMOUNTS DUE UNDER EACH SCHEDULE FOR THE FULL LEASE TERM EVEN IF THE SYSTEM IS DAMAGED OR DESTROYED, IF IT IS DEFECTIVE OR IF YOU HAVE TEMPORARY OR PERMANENT LOSS OF ITS USE. YOU ARE NOT ENTITLED TO REDUCE OR SET-OFF AGAINST RENT OR OTHER AMOUNTS DUE UNDER ANY LEASE FOR ANY REASON WHATSOEVER.
- 8. DISCLAIMER OF WARRANTIES. THE SYSTEM IS BEING LEASED TO YOU IN AS-IS CONDITION (which is the condition of the System at the time of acceptance). NO INDIVIDUAL IS AUTHORIZED TO CHANGE ANY PROVISION OF ANY LEASE. YOU AGREE THAT YOU HAVE SELECTED THE SYSTEM BASED UPON YOUR OWN

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JUDGMENT. YOU HAVE NOT RELIED ON ANY STATEMENTS WE OR OUR EMPLOYEES HAVE MADE. EXCEPT AS PROVIDED IN OUR WRITTEN PRODUCT WARRANTY, WE HAVE NOT MADE AND DO NOT MAKE ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES WHATSOEVER, INCLUDING WITHOUT LIMITATION, THE SYSTEM'S MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, DESIGN, CONDITION, DURABILITY, OPERATION, QUALITY OF MATERIALS OR WORKMANSHIP, OR COMPLIANCE WITH SPECIFICATIONS OR APPLICABLE LAW. You are aware that we manufactured and/or assembled the Lessor Equipment and will contact us for a description of your warranty rights with respect to Lessor Equipment. You agree to settle any dispute you may have regarding performance of the Lessor Equipment directly with us and not make any claim against the Rent due any assignee described in Section 22. You agree to continue to pay such assignee all Rent and other payments even if you have a dispute with us regarding the Lessor Equipment. Nothing in this Agreement or in any Schedule shall relieve us of any obligations which we may have as the manufacturer or the distributor of the Lessor Equipment including, without limitation, the obligations outlined in the Product Warranty and as set forth in the Contract. You acknowledge and agree that the Product Warranty is a separate agreement between you and us and not a part of this Agreement. You are also aware of the name of the manufacturer of Other Equipment and the name of the Software licensor. You agree to contact the manufacturer of the Other Equipment or the licensor of the Software for a description of your warranty rights. Provided you are not in default under the Lease, you may enforce all of the warranty rights directly against the manufacturer of the Other Equipment or the licensor of the Software, as the case may be. You agree to settle any disputes you may have regarding performance of the Other Equipment or the Software directly with the manufacturer of the Other Equipment or the licensor of the Software, as the case may be, and not make any claim against the Rent due us or any assignee described in Section 22. You agree to continue to pay us (or such assignee) all Rent and other sums which may be due and payable even if you have a dispute with any manufacturer of the Equipment or the licensor of the Software, including, without limitation, such manufacturer's or licensor's bankruptcy.

- 9. TITLE AND SECURITY INTEREST. Unless otherwise required by the laws of the state where you are located, you shall have title to the Equipment immediately upon acceptance and shall be deemed to be the owner of the Equipment as long as you are not in default under the Lease. In the event of a default, title to the Equipment shall revert to us free and clear of any rights or interests you may have in the Equipment. To secure all of your obligations to us under the Lease you hereby grant us a first priority purchase money security interest in (a) the Equipment to the extent of your interests in the Equipment, (b) anything attached or added to the Equipment at any time, (c) any money or property from the sale of the Equipment, (d) any money from an insurance claim if the Equipment is lost or damaged, (e) your rights under each agreement for the licensing of Software; (f) the System. You agree that the security interest will not be affected if this Agreement or any Schedule is changed in any way. If allowed by the laws of the state where you are located and if we request, you agree to sign financing statements in order for us to publicly record our security interest. You hereby appoint us as your true lawful attorney-in-fact to affix your signature to UCC financing statements prepared and filed on your behalf by us with the same force and effects as if you have signed such financing statements. The Lease or a copy of the Lease shall be sufficient as a financing statement and may be filed as such.
- 10. USE, MAINTENANCE AND REPAIR. You will not move the System from the Equipment Location without our advance written consent except that any System that has been designed by nature to be a movable piece of technology (such as laptop computers) may be moved within the continental United States without a written consent from the Lessor. In order to facilitate the use of the Equipment by students and/or faculty members of Lessee's organization ("Authorized Users") while on premises other than those belonging to Lessee, Lessee acknowledges and agrees that: (a) Lessee shall use due care to ensure that the System is not (i) used for any illegal activity or private business purposes, or (ii) used by anyone other than Authorized Users; (b) Lessee shall not (i) sub-lease, rent or sell any System (in whole or in part) to any Authorized User, and (c) Lessee (and not Authorized Users) shall be solely responsible for (i) payment of any applicable property taxes on the System, and (ii) return of the System to Lessor in the event of Lessee's default or non-appropriation hereunder. You will give us reasonable access to the Equipment Location so that we can check the System's existence, condition and proper maintenance. You will use the System in the manner for which it was intended, as required by all applicable manuals and instructions and keep it eligible for any manufacturer's certification and/or standard, full service maintenance contract. At your own cost and expense, subject to any applicable written warranties, you will keep the Equipment in good repair, condition and working order, ordinary wear and tear excepted. All replacement parts and repairs shall be governed by the terms of the Contract. You will not make any permanent alterations to the Equipment that will result in a decrease in the market value of the Equipment.

11. TAXES. (Intentionally Omitted)

12. CLAIMS. Inasmuch as our sole responsibility in connection with this Agreement and any subsequent Lease under the Agreement is to provide financing for the acquisition of the System, it is the intent of the parties that we incur no liability, cost or expense with respect to transportation, installation, selection, purchase, lease, ownership, possession, modification, maintenance, condition, operation, use, return or disposition of the System. You hereby acknowledge and agree that we are not responsible (except for our obligations as outlined in the Product Warranty as set forth in the 091401

Contract, as manufacturer and/or assembler of Lessor Equipment, or to the extent caused solely by our intentional or negligent acts or omissions) for any Damages. You agree that you shall not bring or make any claim, lawsuit or action against us and shall reimburse us for and defend us against any claims for any Damages even after the Agreement and each Schedule has expired for acts or omissions which occurred during the Lease Term.

- **13. IDENTIFICATION.** You authorize us to insert missing or correct information on the Lease, including, without limitation, your official name, serial numbers and any other information describing the System. We will send you copies of such changes. You will attach to the Equipment any name plates or stickers we provide you.
- 14. LOSS OR DAMAGE. You are responsible for any loss of or Damages to the System from any cause at all, whether or not insured, from the time the System is delivered to you until it is returned to us. If any item of the Equipment is Damaged Equipment you will notify us in writing within fifteen (15) Days of such event. Within fifteen (15) Days after the date you have notified us of such event, at your option, you will either: (a) repair the Damaged Equipment so that it is in good condition and working order, eligible for any manufacturer's certification, while continuing to pay the Rent on a current basis; or (b) while continuing to pay the Rent on a current basis replace the Damaged Equipment at your sole cost and expense with equipment having substantially similar manufacturer's specifications and of equal or greater value to the Damaged Equipment immediately prior to the time of the loss occurrence, such replacement equipment to be subject to our approval, whereupon such replacement equipment shall be substituted in the applicable Lease and the other related documents by appropriate endorsement or amendment; or (c) pay us an amount equal to the Net Book Value of the Damaged Equipment and continue the Lease for the non-Damaged Equipment with Rent equivalent to the product of the total original cost of the non-Damaged Equipment divided by the cost of the System multiplied by the amount of the original Rent.
- **15. INSURANCE.** Lessor agrees, at its expense, to keep the System fully insured against loss. The insurance policy shall name Lessor and its assigns as Loss Payee.
- **16. DEFAULT.** You will be in default under a Lease if any of the following happens: (a) you fail to pay any Rent or other payment due under any Lease within 10 Days after its due date, or (b) you fail to perform or observe any other promise or obligation in the Lease and do not correct the default within 10 Days after we send you written notice of default, or (c) any representation, warranty or statement you have made in the Lease shall prove to have been false or misleading in any material respect, or (d) the System or any part of it is abused, illegally used, or misused, or (e) the System or any part of it is lost, destroyed, or damaged beyond repair and remains uncured in accordance with Section 14, or (f) a petition is filed by or against you under any bankruptcy or insolvency laws, or (g) you default on any other agreement between you and us (or our affiliates).
- 17. REMEDIES. Upon the occurrence of a default under a Lease, we may, in our sole discretion, do any or all of the following (without limiting any other rights or remedies available to us): (a) provide written notice to you of default; (b) as liquidated damages for loss of a bargain and not as a penalty, declare due and payable under any and all Leases, any and all amounts which may be then due and payable by you under the Leases. We have the right to require you to remove all proprietary data from the System, holding us and any subsequent assignee described in Section 22 or their assigns harmless if you fail to do so. If you fail to deliver the System as required by Section 19, you will make the System available to us for repossession during reasonable business hours or we may repossess the System, so long as we do not breach the peace in doing so, or we may use legal process in compliance with applicable law pursuant to court order to have the System repossessed. You will not make any claims against us or the System for trespass, damage or any other reason. If we take possession of the Equipment we may (a) sell or lease the Equipment at public or private sale or lease, and/or (b) exercise such other rights as may be allowed by applicable law. You agree that (a) we have no obligation to sell the Equipment, and (b) if we do sell the Equipment we have no obligation to pay any proceeds of such sale to you except as otherwise required by applicable law. You agree (a) to the extent funds are appropriated by you, to pay all of the costs we incur to enforce our rights against you and (b) that we will retain all of our rights against you even if we do not choose to enforce them at the time of your default. Notwithstanding anything contained in this Section 17 or Section 16 above, if we have assigned our rights in any Lease(s) we shall not have the right to exercise the remedies stated herein for such Lease(s) and the decision whether to exercise any or all of the remedies stated herein shall be in the sole and absolute discretion of the party assigned such Lease(s).
- 18. YOUR OPTION AT END OF LEASE. (a) Provided you are not in default, upon expiration of the Lease Term you have the option to purchase all or some of the Equipment for \$40.00 per System You shall advise us in writing if you desire to exercise your option to purchase, and the number of Systems you wish to purchase, no later than sixty (60) days prior to the expiration of the Lease Term. (b) Terminal Rent Adjustment. In the event you do not exercise your option to purchase all or some of the Equipment, we will sell the Equipment in a commercially reasonable manner. We will be responsible for all costs and expenses related to return or disposition of all Systems you do not purchase. The Net Proceeds of Sale (hereinafter defined) for any returned Equipment sold by us shall be paid to and retained by us. If the Net Proceeds of Sale of any returned Equipment are more than \$40 per System we shall pay to you an amount

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equal to such excess as an adjustment to the final Rent payment under the applicable Lease on the Expiration Date where defined.

As used herein, the term Net Proceeds of Sale means the cash price paid in connection with our sale of returned Equipment less: (a) all sales taxes and other taxes (excluding income taxes on or measured by our income) as may be applicable to the sale or transfer of such Equipment; and (b) all fees, costs and expenses of such sale incurred by or on behalf of us, including, without limitation, costs to re-acquire the Equipment, and costs to refurbish and market the Equipment for sale."

- 19. RETURN OF SYSTEM. If (a) a default occurs, or (b) a non-appropriation of funds occurs in accordance with Section 6, at your sole cost you will immediately return the System (including all copies of the Software free of any proprietary data), manuals, and accessories to any location and aboard any carrier we may designate in the continental United States. The Equipment must be properly packed for shipment in accordance with the manufacturer's recommendations or specifications, freight prepaid and insured, maintained in accordance with Section 10, and in "Average Saleable Condition." "Average Saleable Condition" means the System is immediately available for use by a third party buyer, user or lessee, other than yourself, without the need for any repair or refurbishment. All Equipment must be free of markings other than those placed at our request. You will pay us for any missing or defective parts or accessories. You will continue to pay Rent until the System is accepted by us subject to Section 6. Our acceptance of the System shall occur fifteen (15) Days after delivery unless we reject the Equipment for good cause within such fifteen (15) Day period.
- 20. YOUR REPRESENTATIONS AND WARRANTIES. You hereby represent and warrant to us that as of the date of each Lease, and throughout each Lease Term: (a) you are the entity indicated as Lessee in the Lease and that is your official legal name; (b) you are a State, or a fully constituted political subdivision pursuant to Section 103-1(b) of the Code, or agency of the State in which you are located; (c) you are duly organized and existing under the Constitution and laws of the State in which you are located; (d) you are authorized to enter into and carry out your obligations under the Documents; (e) the Documents have been duly authorized, executed and delivered by you in accordance with all applicable laws, codes, ordinances, regulations, and policies; (f) any person signing the Documents has the authority to do so, is acting with the full express authorization of your governing body, and holds the offices indicated below his or her signature, which is genuine; (g) the System is essential to the immediate performance of a governmental or proprietary function by you within the scope of your authority and shall be used during the Lease Term only by you and only to perform such function; (h) you intend to use and own the System for the entire Lease Term and shall take all necessary action, in accordance with the second paragraph of Section 6, to include in your annual budget any funds required to fulfill your obligations for each fiscal year during each Lease Term; (i) you have complied fully with all applicable laws, codes, ordinances, regulations, and policies, governing open meetings, competitive pricing and/or public bidding and appropriations required in connection with each Lease and the acquisition of the System; (j) your obligations to remit Rent under each Lease constitutes a current expense and not a debt under applicable state law. No provision of the Lease constitutes a pledge of your tax or general revenues, and any provision which is so construed by a court of competent jurisdiction is void from the inception of the Lease; (k) all payments due and to become due during your current fiscal year are within the fiscal budget of such year, and are included within an unrestricted and unencumbered appropriation currently available for the lease/purchase of the System; (I) you shall not do or cause to be done any act which shall cause, or by omission of any act allow, the interest portion of any Rent payment to become includible in our gross income for Federal income taxation purposes under the Code; (m) you shall comply with the information reporting requirements of Section 149(e) of the Code (such compliance shall include, but not be limited to, the execution of Forms 8038-G or 8038-GC information returns as appropriate); and (n) all financial information you have provided to us is true and accurate and provides a good representation of your financial condition.
- **21. YOUR PROMISES**. In addition to the other provisions of this Agreement, you agree that during the term of each Lease you will take any action we reasonably request to protect our rights in the System and to meet your obligations under each Lease.
- 22. ASSIGNMENT. YOU WILL NOT SELL, TRANSFER, ASSIGN, PLEDGE, SUB-LEASE OR PART WITH POSSESSION OF THE SYSTEM, EXCEPT TO ELIGIBLE PARTICIPATING SCHOOLS WITHIN THE STATE OF MAINE OR FILE OR PERMIT A LIEN TO BE FILED AGAINST THE SYSTEM, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED UNDER THIS AGREEMENT. You will not attach any of the Equipment to any real estate. Upon our reasonable request and at your cost, you will get each person with an interest in the real estate where the System is located to waive any rights they may have in the System. We may, without consent from you, sell, assign, or transfer our rights, but none of our obligations, under any Lease and our interests in the System. You agree that if we do so, the assignee (and any subsequent assignees) will have the same rights and benefits that we now have, but will not have to perform any of our obligations. You agree that the rights of the assignee will not be subject to any claims, defenses, or set-offs that you may have against us, the System, or the manufacturer or licensor of the Other Equipment or Software. However, any such assignment, sale, or transfer of the Lease or the System will not relieve us of any

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obligations we may have to you under the Lease. If you are given notice of a assignee of a Lease, you agree to respond to any requests about the Lease and, if directed by us, to pay the assignee all Rent and other amounts due under the applicable Lease. We will maintain a record of all assignments of the Lease in a form sufficient to comply with the book entry requirements of Section 149(a) of the Code and the regulations prescribed thereunder from time to time. You hereby appoint us as your agent to maintain such registration record as to the record owner of the Lease.

- 23. COLLECTION EXPENSES, OVERDUE PAYMENT, EARLY TERMINATION. You agree that we can, but do not have to, take on your behalf any action which you fail to take as required by the Lease, and our expenses will be in addition to the Rent which you owe us. We may charge you a late charge to cover our collection costs equal to the higher of 10% of any late payment or \$22, but not more than the highest legal rate. To the extent allowed by law, any late payment or non-payment of any past due amount will accrue interest at the lower of 18% per annum or the highest legal rate from the due date until paid. If you so request and we permit the early termination of the Lease (for reasons other than non-appropriation pursuant to Section 6), you agree to pay a fee for such privilege.
- 24. AGREED LEASE RATE. You understand that the Equipment may be purchased (and the Software licensed) for System Cost or it may be leased. By signing the Lease, you acknowledge that you have chosen to lease the System from us for the Lease Term and that you have agreed to pay Rent. We both intend to comply with all applicable laws. If it is determined that your payments under the Lease result in an interest payment higher than allowed by applicable law, then any excess interest collected will be applied to the repayment of principal and interest will be charged at the highest rate allowed by law. In no event will we charge or receive or will you pay any amounts in excess of the legal amount.
- 25. MISCELLANEOUS. Each Lease contains our entire agreement and supersedes any conflicting provision of any equipment purchase order or any other agreement. TIME IS OF THE ESSENCE IN EACH LEASE. If a court finds any provision of this Agreement or any Schedule to be unenforceable, the remaining terms of the Lease shall remain in effect. EACH LEASE IS A "FINANCE LEASE" AS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE ("UCC"). You authorize us or our agent to (a) obtain credit reports, (b) make such other credit inquiries as we may deem necessary, and (c) furnish payment history information to credit reporting agencies. You will use all reasonable efforts to minimize the number of schedules and related documentation, filing and investigation costs. Each Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument; provided, however, that only counterpart one shall constitute the original for each Lease for purposes of the sale or transfer of a Lease as chattel paper as provided in such Lease.
- 26. NOTICES. All written notices to each other must be sent by certified mail or recognized overnight delivery service, postage prepaid, to the addresses as stated on each Schedule, or by facsimile transmission, with oral confirmation of receipt. At anytime after this Agreement is signed, you or we may change an address or facsimile telephone number by giving notice to the other of the change.
- 27. WAIVERS. WE AND YOU EACH AGREE TO WAIVE AND TO TAKE ALL REQUIRED STEPS TO WAIVE ALL RIGHTS TO A JURY TRIAL To the extent you are permitted by applicable law, you waive all rights and remedies conferred upon a lessee by Article 2A (Sections 508-522) of the Uniform Commercial Code including but not limited to your rights to: (a) cancel or repudiate any Lease; (b) revoke acceptance of the System; (c) recover damages from us for any breach of warranty or for any other reason (other than any obligations which we may have to you under the terms of the Product Warranty for the Lessor Equipment, or as manufacturer and/or assembler of Lessor Equipment, or to the extent caused solely by our intentional or negligent acts or omissions); and (d) grant a security interest in any System in your possession. To the extent you are permitted by applicable law, you waive any rights you now or later may have under any statute or otherwise which may limit or modify any of our rights or remedies. ANY ACTION YOU TAKE AGAINST US FOR ANY DEFAULT, INCLUDING BREACH OF WARRANTY OR INDEMNITY, MUST BE STARTED WITHIN ONE (1) YEAR AFTER THE EVENT WHICH CAUSED IT. We will not be liable for specific performance of any Lease or for any losses, damages, delay or failure to deliver the System.

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT AND ANY SCHEDULES SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. TERMS OR ORAL PROMISES WHICH ARE NOT CONTAINED IN THIS WRITTEN AGREEMENT MAY NOT BE LEGALLY ENFORCED. THE TERMS OF THIS AGREEMENT OR A SCHEDULE MAY ONLY BE CHANGED BY ANOTHER WRITTEN AGREEMENT BETWEEN YOU AND US. YOU AND WE AGREE TO COMPLY WITH THE TERMS AND CONDITIONS OF EACH LEASE. EXCEPT FOR AN EVENT OF NON-APPROPRIATION, EACH LEASE IS NOT CANCELABLE. YOU AGREE THAT THE SYSTEM WILL BE USED FOR BUSINESS PURPOSES ONLY AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.

YOUR APPLICATION WAS CORRECT AND COMPLETE WHEN THIS AGREEMENT WAS SIGNED. THIS AGREEMENT IS NOT BINDING UPON US OR EFFECTIVE UNLESS AND UNTIL WE EXECUTE THIS AGREEMENT. THIS AGREEMENT AND ALL SCHEDULES WILL BE GOVERNED BY THE LAWS OF THE STATE WHERE YOU ARE LOCATED WITHOUT REGARD TO THE CONFLICT OF LAW PRINCIPLES THEREOF. YOU AGREE TO THE JURISDICTION AND VENUE OF THE FEDERAL COURTS IN THE STATE WHERE YOU ARE LOCATED.

LESSOR: APPLE COMPUTER, INC.	LESSEE: State of Maine acting by and through its Department of Education
BY:	BY:
TITLE:	TITLE:
DATE:	DATE:
	FED TAX ID#:

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